A coating composition comprising a hydroxy group-containing film forming polymer with a hydroxy value between 75 and 300 mg KOH/g solid resin, a polyisocyanate compound, and a diol of the general formula HO-CH₂- $CR(C_2H_5)$ - CH_2 -OH, wherein R is an alkyl group having 3-6 carbon atoms. The invention further relates to a method of coating which comprises said coating composition being applied to a substrate, and to a coated substrate, in particular cars and large transport vehicles.